

Canada: Selling to the Government of Canada MERX: Canada's Electronic-Tendering Service

Lucy Latka Erica Reynolds September 09

Summary

The Canadian Government is one of the largest purchasing entities in the world with annual procurements of goods and services from thousands of suppliers running in excess of US\$20 billion. Furthermore, for U.S. suppliers Canada represents one of the most open, accessible and transparent public sector markets outside of the United States.

Public Works and Government Services Canada (PWGSC) is Canada's centralized purchasing agency for federal procurement and essentially performs the same functions as the U.S. General Services Administration (GSA). Currently, PWGSC manages over 60,000 contracts for goods and services, valued at approximately US\$8.5 billion per year. The agency actually oversees the procurement needs of some 100 Canadian federal departments and agencies, in addition to the contract requirements of major government projects.

The Government of Canada (GoC) official internet-based electronic tendering service MERX gives subscribers access to more than 1,500 open tenders from the federal government, provincial governments, and municipal governments. Billions of dollars in public sector business opportunities are tendered annually, through MERX, with approximately 200 new tenders are posted daily. The MERX system provides U.S. suppliers with easy access and excellent opportunities to sell a wide range of products and services to Canada's public sector. Registration on MERX is required to be able to connect to buyers in the federal, provincial and municipal, academic, school boards, and hospital (MASH) sectors to get the information to bid on Canadian public-sector contracts.

MERX

MERX is Canada's leading electronic tendering service. It offers the most complete listings of public and private sector contract opportunities (tenders) available in Canada. The system connects buyers with suppliers, and has over 2,500 registered buyers, and 34,000 registered suppliers. MERX can expand your business providing you with thousands of potential opportunities.

MERX is more than a posting site. A subscription on MERX provides you with; access to tenders; competitor pricing; the ability view awarded public sector contracts, and other documents; and offers a matching service.

What is posted on MERX:

- Invitations to Tender (Opportunities)
- Advanced Contract Award Notices (ACAN)
- Call for Project Proposals
- Invitations to Quote (ITQ)
- Letters of Interest (LOI)
- Request for Information (RFI)
- Request for Quotations (RFQ)
- Vendor of Record Opportunities (VOR)

Market Demand/ Market Data

I. Federal Government

The Government of Canada spends about CDN\$20 billion or US\$17 billion a year on goods and services, from thousands of suppliers. There are over 85 departments, agencies and Crown Corporations and Special Operating Agencies. Public Works and Services Canada (PWGSC) is the government's largest purchasing organization, averaging 60,000 contracts totaling US\$8.5 billion annually.

II. Provincial Governments

The following provincial governments use MERX to list their opportunities; Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Newfoundland, Prince Edward Island and the territory of Nunavut. Most provincial and federal government departments and agencies are required to post tenders over CDN\$25,000 on MERX. The purpose is to ensure open and fair competition. As a party to the Government Procurement Agreement (GPA), Canada allows U.S. suppliers to compete on a nondiscriminatory basis for its federal government contracts covered in the GPA.

Total Procurement by province for 2006-2007 (Goods, Services & Construction)

http://www.marcan.net/index en/procure.htm

Province/Territory	Total Procurement
Newfoundland & Labrador	\$346,605,969
Nova Scotia	\$610,131,352
Prince Edward Island	\$59,227,172
New Brunswick	\$732,697,622
Ontario	\$2,338,696,118
Manitoba	\$482,328,990
Saskatchewan	\$540,558,727
Alberta	\$4,252,844,959

Subscriber Benefits

MERX offers two subscription packages, the Basic Tenders Subscription, and the Complete Canadian Public Tenders Subscription.

I. Basic Tenders Subscription

The Basic Subscriber package is <u>free</u> of charge providing U.S. companies with access to Federal Government procurement opportunities.

Package includes:

- Free access to GoC tender documents
- Pay an "Out of Jurisdiction Fee" to access non-federal tender documents

Features:

- Access to all Open Opportunity Notices of Canadian public-sector buying organizations
- Access to all Former Opportunities and Award Notices of Canadian public-sector buying organizations
- Access to International Opportunities and Government Business Opportunities (GBO)
- Access to GC tender documents only. Pay an "Out of Jurisdiction Fee" to access non-federal tender documents.
- Access to the Document Request List (GoC Opportunities only)
- Unlimited preview and download of GoC tender documents
- Free Notification of Amendments
- One free Opportunity Matching profile
- Free delivery of Opportunity Matching results (email, fax or online)

II. Complete Canadian Public Tenders Subscription

The Complete Canadian Public Tenders Subscription gives you access to ALL public-sector tenders on MERX for a monthly fee of CDN\$16.95 or CDN\$203.40 per year, plus applicable taxes.

Package includes:

Full access to <u>all</u> open Canadian open opportunities.

Features:

- Full access to all Open Opportunities of Canadian public-sector buying organizations
- Access to all Former Opportunities and Award Notices of Canadian public-sector buying organizations
- Access to International Opportunities and Government Business Opportunities (GBO)
- Access to tender documents from ALL jurisdictions/regions (Federal, Provincial and Municipal)
- Access to ALL Document Request Lists (Canadian Opportunities only)
- Unlimited preview and download of ALL tender documents
- Notification of Amendments
- Automatic Delivery of Amendments
- One Opportunity Matching profile
- Delivery of Opportunity Matching results (email, fax or online)

Please note payments are made online through MERX's secure site.

III. Value-Added and Enhanced Services

Additional services are listed on MERX at an additional cost. Please consult the MERX website to see the listing of services and prices.

How to Subscribe and Register on MERX

Log on to MERX <u>www.merx.com</u> and select the "Register Now" button on the home page. You will then be required to complete the online registration application, including credit card information. The last section of registration will provide you with Supplier Confirmation Letter. Please keep this for your records as it includes your user ID and password.

Once completed, you will be brought back to the MERX homepage. Once your log in, you will have access to MERX and its services.

Please note there is an <u>Online Tutorial for Suppliers</u> using MERX to assist you with the program, services, and features.

Key Suppliers

34,000 registered suppliers

Prospective Buyers

- 1) Canadian Federal Government
- 2) Participating Provincial Governments
- 3) Municipal, Academic, School Boards, and Hospital (MASH) sectors.

Upcoming Events (taken from MERX newsletter)

HOW TO DO BUSINESS WITH THE PROVINCE OF ONTARIO 4900 Yonge Street, Toronto, ON

October 22, 2009

HELPING BUSINESSES SELL TO THE GOVERNMENT OF CANADA - INTRODUCTORY SUPPLIER SEMINAR

National Capital Region - Ottawa, ON

September 25, 2009 October 9, 2009 November 6, 2009 December 4, 2009

CANADIAN FORUM ON PUBLIC PROCUREMENT Montreal, QC

October 19-22, 2009

Resources & Key Contacts

<u>Useful Government Websites:</u>

- MERX, electronic tendering service focused on Canadian opportunities.
 - MERX Online Tutorial for Suppliers
 - MERX Frequently Asked Questions
- Business Access Canada, general information on selling to the Canadian Government.
- Contracts Canada
- Standing Offers and Supply Arrangements, describing procurement procedures.
- <u>Industry Canada</u>, resource for valuable trade information by sector.
- <u>Canadian International Trade Tribunal</u>, can hear complaints regarding procurement efforts and appeals to Canada Border Services Agency decisions.
- Canada Revenue Service and Business Registration On-Line
- Business Access Canada and the Supplier Registration Number
- Public Works and Government Services Canada, the main portal for the Ministry.
 - PWGSC's Supply Manual
 - o PWGSC's Standard Acquisition, Clauses and Conditions (SACC) Manual
 - Procurement Allocation Directory, contacts for purchasing managers at PWGSC.

For More Information

The U.S. Commercial Service in Ottawa, Canada can be contacted via e-mail at: lucy.latka@mail.doc.goc
Phone: 1-613-688-5219; Fax: 1-613-238-5999; or visit our website: www.buyusa.gov/canada

The U.S. Commercial Service — Your Global Business Partner

With its network of offices across the United States and in more than 80 countries, the U.S. Commercial Service of the U.S. Department of Commerce utilizes its global presence and international marketing expertise to help U.S. companies sell their products and services worldwide. Locate the U.S. Commercial Service trade specialist in the U.S. nearest you by visiting http://www.export.gov/eac.

Comments and Suggestions: We welcome your comments and suggestions regarding this market research. You can e-mail us your comments/suggestions to: Customer.Care@mail.doc.gov. Please include the name of the applicable market research in your e-mail. We greatly appreciate your feedback.

Disclaimer: The information provided in this report is intended to be of assistance to U.S. exporters. While we make every effort to ensure its accuracy, neither the United States government nor any of its employees make any representation as to the accuracy or completeness of information in this or any other United States government document. Readers are advised to independently verify any information prior to reliance thereon. The information provided in this report does not constitute legal advice.

International copyright, U.S. Department of Commerce, 2009. All rights reserved outside of the United States.